

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,¹

Debtor.

)
) Chapter 11
)
) Case No. 19-34054 (SGJ)
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)
)

**CERTIFICATION OF PATRICK M. LEATHEM WITH RESPECT TO THE
TABULATION OF VOTES ON THE FIFTH AMENDED PLAN OF
REORGANIZATION OF HIGHLAND CAPITAL MANAGEMENT, L.P.**

I, Patrick M. Leathem, depose and say under the penalty of perjury:

1. I am a Senior Consultant in Corporate Restructuring Services, employed by Kurtzman Carson Consultants LLC (“KCC”), located at 222 N. Pacific Coast Highway, 3rd Floor, El Segundo, California 90245. I am over the age of 18 and not a party to this action.

2. On October 18, 2019, the United States Bankruptcy Court for the District of Delaware Court entered the *Order Appointing Kurtzman Carson Consultants as Claims and Noticing Agent for the Debtor Pursuant to 28 U.S.C. § 156(c), 11 U.S.C. § 105(a) and Local Rule 2002-1(f)* (Docket No. 43), prior to a venue transfer to this District.

3. On November 24, 2020, the Court entered the *Order (A) Approving the Adequacy of the Disclosure Statement; (B) Scheduling a Hearing to Confirm the Fifth Amended Plan of Reorganization; (C) Establishing Deadline for Filing Objections to Confirmation of Plan; (D) Approving Form of Ballots, Voting Deadline and Solicitation Procedures; and (E) Approving Form and Manner of Notice* (Docket No. 1476) (the “**Disclosure Statement Order**”)²

¹ The Debtor’s last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

² Capitalized terms used but not otherwise defined herein shall have the same meanings ascribed to them in the Disclosure Statement Order.

establishing, among other things, certain solicitation and voting tabulation procedures with respect to the *Fifth Amended Plan of Reorganization of Highland Capital Management, L.P.* (Docket No. 1472) (as further amended, supplemented, or modified, the “**Plan**”). I supervised the solicitation and tabulation performed by KCC’s employees.

4. KCC has considerable experience in soliciting and tabulating votes to accept or reject proposed chapter 11 plans. Except as otherwise stated, I could and would testify to the following based upon my personal knowledge. I am authorized to submit this Certification on behalf of KCC.

A. Service and Transmittal of Solicitation Packages and Related Information

5. On December 1, 2020, KCC caused to be served the Confirmation Hearing Notice on the Debtor’s creditors listed in the creditor matrix and all other parties required to receive such notice pursuant to the Disclosure Statement Order. On December 1, 2020, KCC caused to be served Solicitation Packages on all holders of Claims in Classes 2, 7, 8, 9, 10 and 11 (collectively the “**Voting Classes**”) entitled to vote as of November 23, 2020 (the “**Voting Record Date**”), and a Notice of Non-Voting Status in lieu of a Solicitation Package on all holders of Unimpaired Claims in Classes 1, 3, 4, 5³ and 6 in accordance with the Disclosure Statement Order. A certificate of service evidencing the foregoing was filed with the Bankruptcy Court on December 23, 2020 as Docket No. 1630.

6. On or before December 1, 2020, KCC posted links to the electronic versions of the Confirmation Hearing Notice, Disclosure Statement (with the Plan as an Exhibit), and Disclosure Statement Order on the public access website at www.kccllc.net/hcmlp.

³ No parties were classified as Class 5 Retained Employee Claims for purposes of service of the Notice of Non-Voting Status or Solicitation Packages.

7. On December 3, 2020 the Confirmation Hearing Notice was published in *The New York Times (National Edition)*. An affidavit evidencing the publication of the Confirmation Hearing Notice was filed with the Court on December 3, 2020 (Docket No. 1505).

B. The Tabulation Process

8. The Disclosure Statement Order established November 23, 2020 as the Voting Record Date. Pursuant to the Disclosure Statement Order, holders of Claims in Class 2 (Frontier Secured Claim), Class 7 (Convenience Claims), Class 8 (General Unsecured Claims), Class 9 (Subordinated Claims), Class 10 (Class B/C Limited Partnership Interests) and Class 11 (Class A Limited Partnership Interests) were entitled to vote to accept or reject the Plan. Furthermore, Class 7 Claims were provided the option to elect treatment as Class 8 Claims (the “**GUC Election**”), and liquidated Class 8 Claims were provided the option to elect treatment as Class 7 Claims as provided under the Plan (the “**Convenience Election**”) (in each case under limited circumstances, and without affecting classification for tabulation purposes). No other classes were entitled to vote on the Plan.

9. Pursuant to the Disclosure Statement Order, KCC relied on the Debtor’s Schedules of Assets and Liabilities and the Claims information pertaining to the Debtor’s chapter 11 case, as reflected in KCC’s systems, to identify the holders of Claims entitled to vote to accept or reject the Plan. Finally, KCC relied on guidance from the Debtor’s advisors to identify holders of Class B/C Limited Partnership Interests in Class 10 and Class A Limited Partnership Interests in Class 11 (collectively, “**Interests**”) entitled to vote to accept or reject the Plan, and the amounts of respective interests held as well as the tabulation of certain ballots, as set forth on **Exhibit A** hereto.

10. Using the information outlined above, KCC created a voting database reflecting the names of holders in the Voting Classes, addresses of such holders, voting amounts and classification of Claims and Interests in the Voting Classes.

11. Using its KCC CaseView voting database (“**KCC CaseView**”), KCC generated ballots for Holders of Claims and Interests entitled to vote to accept or reject the Plan. The Disclosure Statement Order established January 5, 2021 at 5:00 p.m. (prevailing Central Time) as the deadline for receiving ballots to accept or reject the Plan (the “**Voting Deadline**”), except to the extent such Voting Deadline was extended by the Debtor in writing in its sole discretion.

12. In accordance with the Disclosure Statement Order, KCC received and tabulated Ballots as follows: (a) each returned paper Ballot was opened and inspected at KCC’s offices; (b) paper Ballots were date-stamped and scanned into KCC CaseView; (c) each Ballot submitted electronically through KCC’s electronic voting platform was electronically received and processed; and (d) all Ballots received on or before the Voting Deadline were then entered into KCC CaseView and tabulated.

13. The final tabulation of votes cast by timely and properly completed Ballots received by KCC is attached hereto as **Exhibit A**. The detailed ballot reports for Voting Classes 2, 7, 8, 9 and 11⁴ are attached to this Certification as **Exhibits A-1, A-2, A-3, A-4, and A-5**, along with a summary⁵ provided to KCC by the Debtor with respect to the Debtor’s position with respect to the tabulation and classification of votes in the Voting Classes pursuant to the Disclosure Statement Order, Plan and applicable law.

⁴ No Class 10 Ballots were returned.

⁵ Please see footnotes on the detailed ballot reports with respect to tabulation of certain ballots in Class 7, Class 8, and Class 9.

C. Ballots That Were Not Counted

14. Attached as **Exhibit B** to this Certification is a detailed report of any Ballots that were not included in the tabulation above because they did not satisfy the requirements for a valid Ballot as set forth in the Disclosure Statement Order.

Conclusion

To the best of my knowledge, information and belief, the foregoing information concerning the distribution, submission and tabulation of Ballots in connection with the Plan is true. The Ballots received by KCC are stored at KCC's office and are available for inspection by or submission to this Court.

Dated: January 19, 2021

/s/ Patrick M. Leathem

Patrick M. Leathem

EXHIBIT A

Exhibit A
Ballot Tabulation Summary

Class	Ballots Not Tabulated	Number Accepting	Number Rejecting	Amount Accepting	Amount Rejecting	Voting Result
Class 2 - Frontier Secured Claim	0	1 100.00%	0 0.00%	\$5,209,963.62 100.00%	\$0.00 0.00%	Accepted in Number Accepted in Dollar
Class 7 - Convenience Claims	4	14 100.00%	0 0.00%	\$2,765,906.51 100.00%	\$0.00 0.00%	Accepted in Number Accepted in Dollar
Class 8 - General Unsecured Claims	2	12 27.91%	31 72.09%	\$301,826,418.36 93.54%	\$20,833,059.67 6.46%	Rejected in Number Accepted in Dollar
Class 9 - Subordinated Claims	0	5 100.00%	0 0.00%	\$35,000,000.00 100.00%	\$0.00 0.00%	Accepted in Number Accepted in Dollar
Class	Ballots Not Tabulated	Number Accepting	Number Rejecting	Amount of Interests Accepting	Amount of Interests Rejecting	Voting Result
Class 10 - Class B/C Limited Partnership Interests	0	0 0.00%	0 0.00%	0.00 0.00%	0.00 0.00%	No Votes No Votes
Class 11 - Class A Limited Partnership Interests	0	0 0.00%	1 100.00%	0.00 0.00%	37.37% Interests 100.00%	Rejected in Number Rejected in Amount

Exhibit A-1

**Class 2 Ballot Detail
Frontier Secured Claim**

Creditor Name	Ballot No.	Voting Amount	Date Filed	Vote
Frontier State Bank	7	\$5,209,963.62	12/21/2020	Accept

Exhibit A-2
Class 7 Ballot Detail
Convenience Claims

Creditor Name¹	Ballot No.	Voting Amount	Date Filed	Vote
Argo Partners	3	\$10,000.00	12/08/2020	Accept
CBIZ Valuation Group, LLC	48	\$8,269.26	01/05/2021	Accept
Contrarian Funds, LLC	1	\$268,095.08	12/04/2020	Accept
Crescent TC Investors, L.P.	41	\$27,480.67	01/04/2021	Accept
Daniel Sheehan & Associates, PLLC	6	\$32,433.75	12/21/2020	Accept
Department of the Treasury - Internal Revenue Service	39	\$85,281.32	01/04/2021	Accept
Katten Muchin Rosenman LLP	4	\$16,695.00	12/10/2020	Accept
MCS Capital LLC c/o STC, Inc.	8	\$507,430.34	12/21/2020	Accept
Meta-e Discovery, LLC	9	\$779,969.84	12/22/2020	Accept
Parmentier, Andrew	51	\$136,350.00	01/05/2021	Accept
Pivotal Research Group LLC	11	\$2,500.00	12/29/2020	Accept
Ryan P. Newell (Connolly Gallagher LLP)	12	\$166,062.22	12/31/2020	Accept
Siepe Services, LLC	64	\$80,183.88	01/05/2021	Accept
Stinson Leonard Street LLP	65	\$645,155.15	01/14/2021	Accept

¹ The Debtor advised the Solicitation Agent that: (i) under the terms of the Plan, the Disclosure Statement Order, and applicable bankruptcy law, neither Scott Ellington, Frank Waterhouse, or Isaac Leventon have Class 7 Convenience Claims or are entitled to elect to receive the treatment provided to Class 7 Convenience Claims; (ii) consistent with the Debtor's ability to accept late votes under section 25(a) of the Voting Procedures Order, the Debtor has determined to accept the votes cast by Siepe Systems, LLC and Stinson Leonard Street LLP. Please see Exhibit B - Ballots Excluded from Tabulation.

Exhibit A-3**Class 8 Ballot Detail****General Unsecured Claims**

Creditor Name^{1, 2}	Ballot No.	Voting Amount	Date Filed	Vote
Acis Capital Management L.P. and Acis Capital Management GP, LLC	45	\$23,000,000.00	01/05/2021	Accept
Charlotte Investor IV, L.P.	19	\$1.00	12/31/2020	Accept
Contrarian Funds, LLC ³	20	\$1,318,730.36	01/04/2021	Accept
Ellington, Scott	56	\$7,604,375.00	01/05/2021	Reject
Employee 01	50	\$1.00	01/05/2021	Reject
Employee 02	52	\$1.00	01/05/2021	Reject
Employee 03	2	\$1.00	12/07/2020	Accept
Employee 04	26	\$1.00	01/04/2021	Reject
Employee 06	32	\$1.00	01/04/2021	Reject
Employee 08	28	\$1.00	01/04/2021	Reject
Employee 09	40	\$1.00	01/04/2021	Reject
Employee 11	24	\$1.00	01/04/2021	Reject
Employee 12	29	\$1.00	1/4/2021	Reject
Employee 13	25	\$1.00	01/04/2021	Reject
Employee 14	27	\$1.00	01/04/2021	Reject
Employee 15	30	\$1.00	01/04/2021	Reject
Employee 16	43	\$1.00	01/04/2021	Reject
Employee 17	47	\$1.00	01/05/2021	Reject
Employee 18	34	\$1.00	01/04/2021	Reject
Employee 19	38	\$1.00	01/04/2021	Reject
Employee 20	49	\$1.00	01/05/2021	Reject
Employee 22	44	\$1.00	01/05/2021	Reject
Employee 23	23	\$1.00	01/04/2021	Reject
Employee 25	33	\$1.00	01/04/2021	Reject
Employee 26	31	\$1.00	01/04/2021	Reject
Employee 27	36	\$1.00	01/04/2021	Reject
Employee 28	46	\$1.00	01/05/2021	Reject
Employee 29	21	\$1.00	01/04/2021	Reject
Employee 30	37	\$1.00	01/04/2021	Reject
HarbourVest 2017 Global AIF L.P.	18	\$4,366,125.00	12/31/2020	Accept
HarbourVest 2017 Global Fund L.P.	17	\$2,183,085.00	12/31/2020	Accept
HarbourVest Dover Street IX Investment L.P.	16	\$31,954,320.00	12/31/2020	Accept
HarbourVest Skew Base AIF L.P.	13	\$648,990.00	12/31/2020	Accept
Highland Crusader Offshore Partners, L.P., et al.	10	\$50,000.00	12/28/2020	Accept
Hunter Covitz	35	\$250,000.00	01/04/2021	Reject
HV International VIII Secondary L.P.	14	\$5,847,480.00	12/31/2020	Accept

Exhibit A-3
Class 8 Ballot Detail
General Unsecured Claims

Creditor Name^{1, 2}	Ballot No.	Voting Amount	Date Filed	Vote
Jean Paul Sevilla	63	\$400,000.00	01/05/2021	Reject
Leventon, Isaac	58	\$1,342,379.68	01/05/2021	Reject
Patrick Hagaman Daugherty	42	\$9,134,019.00	01/04/2021	Reject
Raymond Joseph Dougherty	62	\$1.00	01/05/2021	Reject
Redeemer Commtee Highland Crusader Fund	5	\$137,696,610.00	12/16/2020	Accept
UBS Securities LLC	22	\$94,761,076.00	01/04/2021	Accept
Waterhouse, Frank	59	\$2,102,260.99	01/05/2021	Reject

¹The Debtor advised the Solicitation Agent that: (i) 29 of the 31 of rejecting votes in this class are by either (a) employees who assert contingent claims in the amount of \$1 for unvested amounts under the Debtor's deferred compensation program and the Debtor's former annual bonus program which was terminated on January 14, 2021, and (b) Messrs. Leventon, Ellington, and Waterhouse; (ii) solely for purposes of voting on the Plan, and not for any other purposes, the votes of Messrs Sevilla, Covitz, Leventon, Ellington, and Waterhouse are tabulated as set forth above even though the proofs of claim filed by these individuals do not provide a determination to ascertain the voting amount with respect to any annual bonus or deferred compensation claims asserted against the Debtor; (iii) the vote cast by Raymond Joseph Dougherty in Class 9 should be properly tabulated as a Class 8 General Unsecured Claim because there is no order entered by the Bankruptcy Court subordinating this claim pursuant to the Plan.

² The Debtor advised the Solicitation Agent that (i) the Court approved a settlement at a hearing conducted on January 14, 2021 with (a) HarbourVest 2017 Global Fund L.P.; (b) HarbourVest 2017 Global AIF L.P.; (c) HarbourVest Dover Street IX Investment L.P.; (d) HV International VIII Secondary L.P., (e) HarbourVest Skew Base AIF L.P.; and (f) and HarbourVest Partners L.P., (collectively, "HarbourVest") pursuant to which HarbourVest was allowed a general unsecured claim in the amount of \$45 million in the aggregate and a subordinated claim in the amount of \$35 million in the aggregate; and (ii) HarbourVest has voted its allowed claims in the amounts set forth above with respect to its votes in Class 8 and Class 9 to accept the Plan. Please see Exhibit A-4 - Class 9 Ballot Detail.

³ Contrarian Funds, LLC's Ballot No. 20 elected treatment as Class 7 Convenience Claim (the "Convenience Election"), but such election does not alter classification for tabulation purposes under the Plan. For the avoidance of doubt, this Certification does not certify the validity or enforceability of any elections received and reported hereon, but rather this Certification is providing such information for reporting and informational purposes.

Exhibit A-4
Class 9 Ballot Detail
Subordinated Claims

Creditor Name¹	Ballot No.	Voting Amount	Date Filed	Vote
HarbourVest 2017 Global AIF L.P.	18	\$3,395,875.00	12/31/2020	Accept
HarbourVest 2017 Global Fund L.P.	17	\$1,697,955.00	12/31/2020	Accept
HarbourVest Dover Street IX Investment L.P.	16	\$24,853,360.00	12/31/2020	Accept
HarbourVest Skew Base AIF L.P.	13	\$504,770.00	12/31/2020	Accept
HV International VIII Secondary L.P.	14	\$4,548,040.00	12/31/2020	Accept

¹ The Debtor advised the Solicitation Agent that (i) the Court approved a settlement at a hearing conducted on January 14, 2021 with (a) HarbourVest 2017 Global Fund L.P.; (b) HarbourVest 2017 Global AIF L.P.; (c) HarbourVest Dover Street IX Investment L.P.; (d) HV International VIII Secondary L.P., (e) HarbourVest Skew Base AIF L.P.; and (f) and HarbourVest Partners L.P., (collectively, "HarbourVest") pursuant to which HarbourVest was allowed a general unsecured claim in the amount of \$45 million in the aggregate and a subordinated claim in the amount of \$35 million in the aggregate; and (ii) HarbourVest has voted its allowed claims in the amounts set forth above with respect to its votes in Class 8 and Class 9 to accept the Plan.

Exhibit A-5

Class 11 Ballot Detail

Class A Limited Partnership Interests

Creditor Name	Ballot No.	Voting Amount	Date Filed	Vote
The Dugaboy Investment Trust	60	37.37% Interest	1/5/2021	Reject

EXHIBIT B

Exhibit B**Ballots Excluded from Tabulation**

Class	CreditorName	Date Filed	Ballot No.	Voting Amount	Vote	Reason Excluded¹
7	Frank Waterhouse	1/5/2021	54	\$403,706.00	Reject	Not Entitled to Vote
8	HarbourVest Partners L.P. on behalf of funds and accounts under management	12/31/2020	15	\$1.00	Accept	No voting amount was allocated to this Ballot by HarbourVest under the settlement approved by the Court at a hearing conducted on January 14, 2021.
7	Isaac D. Leventon	1/5/2021	61	\$300,491.00	Reject	Not Entitled to Vote
7	Scott B. Ellington	1/5/2021	53	\$510,000.00	Reject	Not Entitled to Vote
8	Surgent, Thomas	1/5/2021	57	\$1.00	Abstain	No Vote
7	Thomas Surgent	1/5/2021	55	\$510,000.00	Abstain	No Vote

¹ The Debtor advised the Solicitation Agent that: (i) under the terms of the Plan, the Disclosure Statement Order, and applicable bankruptcy law, neither Scott Ellington, Frank Waterhouse, or Isaac Leventon have Class 7 Convenience Claims or are entitled to elect to receive the treatment provided to Class 7 Convenience Claims; (ii) consistent with the Debtor's ability to accept late votes under section 25(a) of the Voting Procedures Order, the Debtor has determined to accept the votes cast by Siepe Systems, LLC and Stinson Leonard Street LLP.